



**Environmental Quality Board**

658 CEDAR STREET  
ST. PAUL, MN 55155  
PHONE: 651-297-1257  
FAX: 651-296-3698  
TTY: 800-627-3529  
WWW.EQB.STATE.MN.US

658 Cedar Street  
Room 300  
St. Paul, MN 55155

(651)297-2888  
Fax (651)296-3698  
TTY: (800)627-3529  
[www.eqb.state.mn.us](http://www.eqb.state.mn.us)

March 15, 2004

Mr. James J. Shield  
Vice- President, Business Development  
Calpine Corporation  
4100 Underwood Road  
Pasadena, TX 77507

RE: Acceptance of Site Permit Application  
Mankato Energy Center  
Mankato, Blue Earth County, Minnesota  
EQB Docket #04-76-PPS-Calpine

Dear Mr. Shield:

On March 5, 2004, Calpine Corporation on behalf of its wholly owned subsidiary Mankato Energy Center filed a Site Permit application with the Minnesota Environmental Quality Board (MEQB) regarding the construction of two simple cycle, natural gas fueled combustion turbine generators and associated facilities at the proposed Mankato Energy Center Generating Plant site in Mankato, Minnesota. As part of this project, Xcel Energy proposes to construct a new segment of double circuit 115/345 kV transmission line, approximately 1000 feet in length, to connect the proposed new generating plant to the existing Wilmarth Substation. The permit application for this high voltage transmission line (HVTL) has not yet been filed as of the receipt of the Site Permit and Certificate of Need (CON) applications. In addition, the new plant will require approximately 3 miles of a 12 or 16-inch gas pipeline tap to connect to the existing Northern Natural gas main line. You have informed us that the pipeline route application is being finalized and will be submitted soon.

MEQB staff has reviewed your application and has recommended that I find your application consistent with the requirements of Minnesota Rules, part 4400.1150, and that the application be reviewed pursuant to the Alternative Permitting Review process procedures in Minnesota Rules, part 4400.2000-2950. Based upon the MEQB staff recommendation and my review, I am accepting the Mankato Energy Center (Calpine) application with the understanding that if additional information is requested by the MEQB staff, these requests will be addressed promptly.

Since the turbines will be constructed on a properly zoned industrial area and the route of the proposed 345/115 kV transmission line to link the proposed plant and the existing will parallel an existing 345 kV transmission line, I believe it is unnecessary to appoint a citizen advisory task force to consider alternative sites or routes for this project.

Mr. George Johnson will be the MEQB's staff project manager for this project and you may direct any future questions to him. Mr. Larry Hartman of the MEQB staff will serve as the public advisor for this project. We look forward to working with Xcel Energy to fully address any issues that may be raised in review of this application. Thank you.

Sincerely,



Robert A. Schroeder, Chair  
Environmental Quality Board

Cc Jason Goodwin , Calpine Corporation  
Kent Morton, Calpine Corporation  
Jon Sandstedt, Wenck Associates  
Dale Claridge, Wenck Associates  
Lori Bartells, Wenck Associates